

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

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ATTORNEYS FOR DEBTOR

In re:

LTL MANAGEMENT LLC,¹

Debtor.

Chapter 11

Case No.: 23-12825 (MBK)

Judge: Michael B. Kaplan

**DEBTOR'S STATEMENT OF ISSUES ON APPEAL AND
DESIGNATION OF ITEMS TO BE INCLUDED IN THE
RECORD ON APPEAL AS TO FEE ORDER AND RECONSIDERATION ORDER**

Pursuant to Rule 8009(a) of the Federal Rules of Bankruptcy Procedure, LTL Management LLC, formerly known as LTL Management LLC, the debtor in the above-captioned case (the

¹ The last four digits of the Debtor's taxpayer identification number are 6622. The Debtor's address is 501 George Street, New Brunswick, New Jersey 08933.

“Debtor”), submits the following statement of issues to be presented on appeal and designation of items for inclusion in the record on appeal in connection with the Debtor’s appeal from the following orders: the November 14, 2023 *Order Awarding Fees to Houlihan Lokey Capital, Inc.* [Dkt. 1579] (the “Fee Order”) and the related December 21, 2023 *Order Denying Motion or Application for the Entry of an Order to Reconsider* [Dkt. 1628] (the “Reconsideration Order”).

STATEMENT OF ISSUES TO BE PRESENTED ON APPEAL

1. Did the Bankruptcy Court err in awarding Houlihan Lokey Capital, Inc. (“Houlihan”), as a professional retained by a committee appointed under 11 U.S.C. 1102, a discretionary bonus for services in a dismissed case where dismissal did not result from a settlement, resolution of claims or confirmation of a plan?

2. Did the Bankruptcy Court err in approving a discretionary bonus purportedly authorized as a result of the exercise of a committee’s business judgment?

3. Alternatively, assuming that there were grounds to award a discretionary bonus, did the Bankruptcy Court err when it substituted its own judgment as to the proper amount of such a discretionary bonus in lieu of the formula required by the express terms of the professional’s engagement and the Court’s prior order authorizing the professional’s retention?

4. Did the Bankruptcy Court clearly abuse its discretion in denying *Debtor’s Motion Pursuant to Bankruptcy Rules 9023 and 9024 for Amendment of Reconsideration of the Order Awarding a Discretionary Bonus to Houlihan Lokey* [Dkt. 1597]?

DESIGNATION OF THE RECORD ON APPEAL

Without waiving any arguments on appeal, the Debtor designates each of the following documents for inclusion in the record on appeal (including any exhibit, annex, appendix, addendum, or schedule thereto). The Debtor reserves the right to supplement this designation and the record on appeal.

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
<i>In re LTL Management LLC, 23-12825 (MBK)</i>			
<u>Background and Motion to Dismiss/Preliminary Injunction Hearings</u>			
1.	1	N/A	Chapter 11 Voluntary Petition
2.	3	N/A	Debtor's Statement Regarding Refiling of Chapter 11 Case
3.	4	N/A	Declaration of John K. Kim in Support of First Day Pleadings
4.	8	N/A	Adversary case 23-01092. Complaint by LTL Management LLC against Those Parties Listed on Appendix A to the Complaint and John and Jane Does 1-1000
5.	162	N/A	Notice of Appointment of Official Committee of Talc Claimants
6.	396	N/A	Supplemental Declaration of John K. Kim Regarding Plan Support Agreements
7.	N/A	N/A	Deposition of Saul E. Burian (6/22/2023)
8.	N/A	876	Expert Report of Saul E. Burian
9.	N/A	1112	Rebuttal Expert Report of Saul E. Burian
10.	263	N/A	Transcript regarding Hearing Held 4/20/23
11.	782	N/A	Transcript regarding Hearing Held 6/13/23
12.	852	N/A	Evidentiary Stipulation for Hearing on the Motions to Dismiss Debtor's Bankruptcy Case
13.	933	N/A	Transcript regarding Hearing Held 6/27/23
14.	956	N/A	Transcript regarding Hearing Held 6/28/23 - AM Session
15.	957	N/A	Transcript regarding Hearing Held 6/28/23 - PM Session
16.	968	N/A	Transcript regarding Hearing Held 6/29/23 - AM Session
17.	969	N/A	Transcript regarding Hearing Held 6/29/23 - PM Session
18.	977	N/A	Transcript regarding Hearing Held 6/30/23

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
19.	1079	N/A	Debtor's Proposed Findings of Fact and Conclusions of Law Regarding Motions to Dismiss Chapter 11 Case
20.	1100	N/A	Joint Stipulation and Agreed Order Regarding the Admission of Exhibits and Deposition Designations in Connection with Motion to Dismiss Hearing ²
21.	1127	N/A	Opinion Granting Motions to Dismiss
22.	1211	N/A	Order (I) Dismissing Debtor's Chapter 11 Petition Pursuant to 11 U.S.C. 1112(B); (II) Establishing Procedures with Respect to Requests for Compensation; And (III) Granting Related Relief
23.	1262	N/A	Debtor's Notice of Appeal to District Court
Houlihan Retention and Requests for Compensation			
24.	538	N/A	Application of the Official Committee of Talc Claimants for Retention of Houlihan as Investment Banker Under Bankruptcy Code Section 328(a) Effective as of April 14, 2023
25.	538-1	N/A	Declaration of Saul E. Burian in Support of Application for Retention of Houlihan as Investment Banker to the Official Committee of Talc Claimants
26.	538-2	N/A	Exhibit A to Declaration – Houlihan Engagement Agreement
27.	538-3	N/A	Exhibit B – Principal Professionals
28.	538-4	N/A	Exhibit C – Interested Parties List
29.	538-5	N/A	Exhibit D – Relationship with Interested Parties
30.	538-6	N/A	Proposed Houlihan Retention Order

² Through the *Joint Stipulation and Agreed Order Regarding the Admission of Exhibits and Deposition Designations in Connection with Motion to Dismiss Hearing*, certain documents admitted into evidence in the 2021 Chapter 11 Case were moved into evidence in this Chapter 11 Case, listed below at designations 60 through 77.

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
31.	603	N/A	Debtor's Limited Objection to Application of the Official Committee of Talc Claimants to Retain Houlihan as Investment Banker and Omnibus Reservation of Rights to Additional Official Committee of Talc Claimants (the "TCC") Applications to Retain and Employ Professionals
32.	899	N/A	Order Authorizing Retention of Houlihan as Investment Banker to the TCC Under Bankruptcy Code Section 328(a) Effective April 14, 2023
33.	1054	N/A	First Monthly Fee Statement of Houlihan for the Period of April 14, 2023 through April 30, 2023
34.	1055	N/A	Second Monthly Fee Statement of Houlihan for the Period of May 1, 2023 through May 31, 2023
35.	1056	N/A	Third Monthly Fee Statement of Houlihan for the Period of June 1, 2023 through June 30, 2023
36.	1347	N/A	Final Fee Application for Allowance of Fees and Reimbursement of Expenses to Houlihan as Investment Banker to the TCC for the Period From April 14, 2023 Through August 11, 2023
<u>Objection to Houlihan's Compensation</u>			
37.	1496	N/A	Debtor's Omnibus Objection to the Final Applications for Allowance of Fees and Reimbursement of Expenses for the Period of April 4, 2023 Through August 11, 2023 Filed by the TCC Professionals
38.	1514	N/A	Amended Joint Omnibus Reply of the TCC Professionals, the TCC Committee and the Ad Hoc Committee of Certain Talc Claimants in Support of (I) the Final Applications for Allowance of Fees and Reimbursement of Expenses for the Period of April 4, 2023 Through August 11, 2023 Filed by the TCC Professionals and (II) the TCC Committee and Ad Hoc Committee of Talc Claimants' Substantial Contribution Motion
39.	1527	N/A	Transcript regarding Hearing Held 10/18/23

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
40.	1544	N/A	October 27, 2023 Letter to Honorable Michael B. Kaplan filed by Daniel Stolz
41.	1567	N/A	November 3, 2023 Letter to Chief Judge Kaplan in Response to TCC Letter filed by the Debtor
42.	1568	N/A	November 6, 2023 Letter to Honorable Michael B. Kaplan filed by Daniel Stolz
43.	1571	N/A	Letter Opinion Resolving Outstanding Fee Applications and Substantial Contribution Motion
44.	1579	N/A	Order Awarding Fees to Houlihan
45.	1597	N/A	Debtor's Motion Pursuant to Bankruptcy Rules 9023 and 9024 for Amendment of Reconsideration of the Order Awarding a Discretionary Bonus to Houlihan
46.	1612	N/A	Objection to Debtor's Motion Pursuant to Bankruptcy Rules 9023 and 9024 for Amendment of Reconsideration of the Order Awarding a Discretionary Bonus to Houlihan
47.	1613	N/A	Debtor's Reply in Support of Motion Pursuant to Bankruptcy Rules 9023 and 9024 for Amendment of Reconsideration of the Order Awarding a Discretionary Bonus to Houlihan
48.	1628	N/A	Order Denying Motion to Reconsider
49.	1629	N/A	Transcript regarding Hearing Held 12/21/23
50.	1636	N/A	Debtor's Notice of Appeal to District Court
51.	1643	N/A	Joint Stipulation and Agreed Order Regarding Reservation of the Right of Appeal in Connection with the Fee Order and Reconsideration Order
<i>In re LTL Management, LLC, Case No. 23-1092 (MBK)</i>			
52.	1	N/A	Complaint by LTL Management LLC against Those Parties Listed on Appendix A to the Complaint and John and Jane Does 1-1000

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
53.	2	N/A	Debtor's Motion for an Order (I) Declaring That the Automatic Stay Applies or Extends to Certain Actions Against Non-Debtors, (II) Preliminarily Enjoining Such Actions, and (III) Granting a Temporary Restraining Order Ex Parte Pending a Hearing on a Preliminary Injunction
54.	5	N/A	Declaration of Daniel J. Merrett in Support of Debtor's Complaint for Injunctive Relief and Related Motion
55.	7	N/A	Supplemental Declaration of Daniel J. Merrett in Support of Debtor's Complaint for Injunctive Relief and Related Motion
56.	70	N/A	Debtor's Amended Deposition Designations
57.	91	N/A	Order Dissolving Temporary Restraining Order, Extending the Automatic Stay, and Granting Limited Preliminary Restraints
58.	94	N/A	Opinion Dissolving Temporary Restraining Order, Extending the Automatic Stay, and Granting Limited Preliminary Restraints
59.	203	N/A	Order Extending the Preliminary Injunction
<i>In re LTL Management, LLC, Case No. 21-30589 (MBK)</i>			
Background and Motion to Dismiss/Preliminary Injunction Hearings³			
60.	5	N/A	Declaration of John K. Kim in Support of First Day Pleadings
61.	128	N/A	Debtor's Complaint for Declaratory and Injunctive Relief (I) Declaring That the Automatic Stay Applies to Certain Actions Against Non-Debtors or, (II) Preliminarily Enjoining Such Actions and (III) Granting a Temporary Restraining Order Pending a Final Hearing. Adversary case 21-03032.
62.	390	N/A	Transcript for Hearing/Trial held on 11/4/21
63.	391	N/A	Transcript for Hearing/Trial held on 11/5/21

³ Through the *Joint Stipulation and Agreed Order Regarding the Admission of Exhibits and Deposition Designations in Connection with Motion to Dismiss Hearing*, certain documents admitted into evidence in the 2021 Chapter 11 Case were moved into evidence in this Chapter 11 Case.

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description									
64.	N/A	104	Expert Report of Saul E. Burian, dated January 28, 2022									
65.	N/A	N/A	Deposition of Saul E. Burian (2/9/2022)									
66.	1481	N/A	Transcript regarding Hearing Held 02/14/22									
67.	1494	N/A	Transcript regarding Hearing Held 02/15/22									
68.	1497	N/A	Joint Stipulation and Agreed Order Between Movants and Debtor Regarding the Admission of Exhibits at Motion to Dismiss Trial									
69.	1516	N/A	Joint Stipulation and Agreed Order Between the Official Committee of Talc Claimants I, the Official Committee of Talc Claimants II, and the Debtor Regarding the Evidentiary Record in Preliminary Injunction Adversary Proceeding and Trial on Motions to Dismiss									
70.	1518	N/A	Transcript regarding Hearing Held 02/16/22									
71.	1528	N/A	Transcript regarding Hearing Held 02/17/22 - AM Session									
72.	1529	N/A	Transcript regarding Hearing Held 02/17/22 - PM Session									
73.	1553	N/A	Transcript regarding Hearing Held 02/18/22									
74.	1566	N/A	Joint Stipulation and Agreed Order Between Movants and Debtor Regarding the Admission of Deposition Designations at Motion to Dismiss Trial									
75.	1575	N/A	Memorandum Opinion (Granting Preliminary Injunction and Resolving Adversary Proceeding in Debtor’s Favor)									
76.	3938	N/A	Order (I) Dismissing Debtor’s Chapter 11 Case Pursuant to 11 U.S.C. § 112(b); (II) Establishing Procedures with Respect to Requests for Compensation; and (III) Granting Related Relief									
77.	N/A	1	2021 Corporate Restructuring closing binder, which includes eighty individual documents. <table><tr><td>1</td><td>LTL 0001058</td><td>LTL 0001061</td></tr><tr><td>2</td><td>LTL 0001062</td><td>LTL 0001074</td></tr><tr><td>3</td><td>LTL 0001075</td><td>LTL 0001076</td></tr></table>	1	LTL 0001058	LTL 0001061	2	LTL 0001062	LTL 0001074	3	LTL 0001075	LTL 0001076
1	LTL 0001058	LTL 0001061										
2	LTL 0001062	LTL 0001074										
3	LTL 0001075	LTL 0001076										

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description		
			4	LTL 0001077	LTL 0001078
			5	LTL 0001079	LTL 0001091
			6	LTL 0001092	LTL 0001111
			7	LTL 0001112	LTL 0001113
			8	LTL 0001114	LTL 0001115
			9	LTL 0001116	LTL 0001119
			10	LTL 0001120	LTL 0001134
			11	LTL 0001135	LTL 0001144
			12	LTL 0001145	LTL 0001146
			13	LTL 0001147	LTL 0001150
			14	LTL 0001151	LTL 0001158
			15	LTL 0001159	LTL 0001176
			16	LTL 0001177	LTL 0001191
			17	LTL 0001192	LTL 0001204
			18	LTL 0001205	LTL 0001221
			19	LTL 0001222	LTL 0001234
			20	LTL 0001235	LTL 0001254
			21	LTL 0001255	LTL 0001266
			22	LTL 0001267	LTL 0001302
			23	LTL 0001303	LTL 0001326
			24	LTL 0001327	LTL 0001390
			25	LTL 0001391	LTL 0001817
			26	LTL 0001818	LTL 0001828
			27	LTL 0001829	LTL 0001831
			28	LTL 0001832	LTL 0001846
			29	LTL 0001847	LTL 0001849
			30	LTL 0001850	LTL 0001866
			31	LTL 0001867	LTL 0001873
			32	LTL 0001874	LTL 0001889
			33	LTL 0001890	LTL 0001900
			34	LTL 0001901	LTL 0001969
			35	LTL 0001970	LTL 0002036
			36	LTL 0002037	LTL 0002056
			37	LTL 0002057	LTL 0002098
			38	LTL 0002099	LTL 0002117
			39	LTL 0002118	LTL 0002131
			40	LTL 0002132	LTL 0002162
			41	LTL 0002163	LTL 0002173
			42	LTL 0002174	LTL 0002181
			43	LTL 0002182	LTL 0002185
			44	LTL 0002186	LTL 0002201

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description		
			45	LTL 0002202	LTL 0002215
			46	LTL 0002216	LTL 0002231
			47	LTL 0002232	LTL 0002245
			48	LTL 0002246	LTL 0002274
			49	LTL 0002275	LTL 0002278
			50	LTL 0002279	LTL 0002282
			51	LTL 0002283	LTL 0002299
			52	LTL 0002300	LTL 0002320
			53	LTL 0002321	LTL 0002327
			54	LTL 0002328	LTL 0002343
			55	LTL 0002344	LTL 0002357
			56	LTL 0002358	LTL 0002368
			57	LTL 0002369	LTL 0002380
			58	LTL 0002381	LTL 0002413
			59	LTL 0002414	LTL 0002445
			60	LTL 0002446	LTL 0002465
			61	LTL 0002466	LTL 0002476
			62	LTL 0002477	LTL 0002482
			63	LTL 0002483	LTL 0002486
			64	LTL 0002487	LTL 0002491
			65	LTL 0002492	LTL 0002508
			66	LTL 0002509	LTL 0002540
			67	LTL 0002541	LTL 0002571
			68	LTL 0002572	LTL 0002602
			69	LTL 0002603	LTL 0002631
			70	LTL 0002632	LTL 0002646
			71	LTL 0002647	LTL 0002662
			72	LTL 0002663	LTL 0002670
			73	LTL 0002671	LTL 0002687
			74	LTL 0002688	LTL 0002772
			75	LTL 0002773	LTL 0002791
			76	LTL 0002792	LTL 0002978
			77	LTL 0002979	LTL 0003012
			78	LTL 0003013	LTL 0003047
			79	LTL 0003048	LTL 0003066
			80	LTL 0003067	LTL 0003086
Houlihan Retention and Requests for Compensation					
78.	953	N/A	Application of the TCC for Retention of Houlihan as Investment Banker Under Bankruptcy Code Section 328(a) Effective as of December 17, 2021		

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
79.	1087	N/A	Debtor's Omnibus Objection Application of the Official Committee of Talc Claimants for Retention of Houlihan as Investment Banker Under Bankruptcy Code Section 328(a) Effective as of December 17, 2021 and Application for Retention of FTI Consulting, Inc. as Financial Advisor for the Official Committee of Talc Claimants Effective December 13, 2021
80.	1100	N/A	Response to Debtor's Omnibus Objection Application of the Official Committee of Talc Claimants for Retention of Houlihan as Investment Banker Under Bankruptcy Code Section 328(a) Effective as of December 17, 2021 and Application for Retention of FTI Consulting, Inc. as Financial Advisor for the Official Committee of Talc Claimants Effective December 13, 2021
81.	1118	N/A	Transcript regarding Hearing Held 01/11/22
82.	1133	N/A	Interim Order Authorizing Retention of Houlihan as Investment Banker to the Official Committee of Talc Claimants I Under Bankruptcy Code Section 328(a)
83.	1244	N/A	Interim Order Authorizing Retention of Houlihan as Investment Banker to the Official Committee of Talc Claimants I Under Bankruptcy Code Section 328(a)
84.	2055	N/A	Supplemental Exhibit to Application for Retention of Houlihan
85.	2094	N/A	Transcript regarding Hearing Held 04/12/22
86.	2313	N/A	Debtor's Supplemental Omnibus Objection to Applications of the Official Committee of Talc Claimants to Retain (I) Houlihan as Investment Banker, (II) FTI Consulting, Inc. as Financial Advisor and (III) The Brattle Group, Inc. as Talc Consultants

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
87.	2330	N/A	Response by the Official Talc Claimants Committee to the Debtor's Supplemental Omnibus Objection to the Retention of Houlihan, FTI Consulting, Inc. and The Brattle Group, Inc.
88.	2332	N/A	Second Supplemental Certification of Saul E. Burian in Further Support of Retention of Houlihan as Investment Banker to the Official Committee of Talc Claimants and in Response to the Debtor's Supplemental Omnibus Objection Thereto
89.	2353	N/A	Transcript regarding Hearing Held 05/24/22
90.	2426	N/A	Third Supplemental Certification of Saul E. Burian in Further Support of Retention of Houlihan as Investment Banker to the Official Committee of Talc Claimants
91.	2493	N/A	Objection of the United States Trustee to the Official Committee of Talc Claimant's Application for Retention of Houlihan as Investment Banker Under Bankruptcy Code Section 328(a) Effective as of December 17, 2021
92.	2512	N/A	Transcript regarding Hearing Held 06/14/22
93.	2618	N/A	Final Order Authorizing Retention of Houlihan as Investment Banker to the TCC Under Bankruptcy Code Section 328(a) Effective December 17, 2021
94.	1764	N/A	First Interim Fee Application of Houlihan
95.	2507	N/A	Order Allowing Interim Compensation for Services Rendered and Reimbursement of Expenses of the Retained Professionals for the Period from October 14, 2021 through January 31, 2022
96.	2667	N/A	Second Interim Fee Application of Houlihan

Designation	Docket No. (If Applicable)	Exhibit No. (If Applicable)	Description
97.	3048	N/A	Order Allowing Interim and Final Compensation for Services Rendered and Reimbursement of Expenses of the Retained Professionals for the Period from February 1, 2022 through May 31, 2022
98.	3391	N/A	Third Interim Fee Application of Houlihan
99.	3478	N/A	Eleventh Monthly Fee Statement of Houlihan
100.	3598	N/A	Twelfth Monthly Fee Statement of Houlihan
101.	3772	N/A	Thirteenth Monthly Fee Statement of Houlihan
102.	3812	N/A	Order Allowing Interim and Final Compensation for Services Rendered and Reimbursement of Expenses of the Retained Professionals for the Period from June 1, 2022 through September 30, 2022
103.	3869	N/A	Fourteenth Monthly Fee Statement of Houlihan

CERTIFICATION REGARDING TRANSCRIPTS

Federal Rule of Bankruptcy Procedure 8009(b)(1) requires an appellant to either: (a) order from the reporter a transcript of such parts of the proceedings not already on file as the appellant considers necessary for the appeal and file a copy of the order with the bankruptcy clerk, or (b) file with the bankruptcy clerk a certificate stating that the appellant is not ordering a transcript. Appellant hereby certifies to the Clerk of Court that it is not ordering any transcripts that are not already included in the record on appeal.

Dated: January 18, 2024

WOLLMUTH MAHER & DEUTSCH LLP

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